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September 25, 2023

Honorable J. Paul Oetken
United States District Judge
United States District Court
Southern District of New York
40 Foley Square,
New York, New York 10007

Re: *USA v. Craig Zabala* – 1:20-Cr-00564-JPO
Application for Early Discharge from Supervised Release

Your Honor:

On consent of the Department of Probation and the United States Attorney's office, and for the reasons outlined in defendant's mitigation letter attached hereto, the defendant respectfully requests that this Court grant his application for early termination of supervised release.

Thank you for your kind consideration of this application.

Application granted on consent.

Defendant Craig Zabala is hereby discharged from his term of supervised release.

So ordered.
9/28/2023

Respectfully submitted,



Jonathan Rosenberg
137 Court Street, Fl. 2
Brooklyn, N.Y. 11201
(718) 715-4845



J. PAUL OETKEN
United States District Judge

Attorneys for Defendant
Craig Zabala

To: AUSA Scott Hartman

September 1, 2023

From: Rosenberg Law Firm

Re: Craig Zabala 1:20-cr-00564-JPO

Dear AUSA Hartman,

It was a pleasure speaking to you recently about Mr. Craig Zabala's application for early termination of his three-year supervised release term before the Southern District of New York. I am writing to provide additional mitigation in support of this application, which I hope will aid your office's consideration of this request. As this letter outlines, Mr. Zabala has been completely compliant with the terms of his release, has demonstrated excellent community adjustment, and stands convicted of his first and only offense. His exemplary compliance notwithstanding, Mr. Zabala has undergone significant hardship as a result of the ongoing restrictions imposed upon him by supervised release. As detailed below, early release from these restrictions would allow Mr. Zabala to avail himself of job opportunities which he is currently barred from accepting, due to his inability to travel freely outside of the supervising jurisdiction. Consequently, Mr. Zabala would be far better positioned to remit payment on the outstanding restitution imposed upon him by the Court should your office not oppose his application.

Background and History

Mr. Zabala is currently supervised in the Southern District of New York, where he resides and is retired. As detailed in the previously provided email from PO Jennifer Arango, Mr. Zabala has been fully compliant with the terms of supervised release since his initial assignment on November 14, 2022. On April 24, 2023, Mr. Zabala relocated to New York and has maintained a stable residence therein. Mr. Zabala has reported as directed and has not incurred any arrests during his term of supervision.

Following his release, Mr. Zabala timely completed 260 community service hours within a three-month time frame, voluntarily exceeding the 250-hour requirement imposed upon him by the Court¹. Additionally, Mr. Zabala participated and spoke in the Prison Education Program at the University of California, as suggested by the Honorable Judge J. Paul Oetken at his sentencing hearing. In order to further aid his adjustment to the community, Mr. Zabala voluntarily enrolled in and completed community reintegration programs at Flint Center Reintegration Services in Pasadena, California and the Osborne Association in New York City. Due to his participation at Osborne, Mr. Zabala received a certificate of completion for a 43-hour course focused on workforce development and community reintegration. See **Exhibit A**.

At 71 years old, and convicted of a completely non-violent financial crime, Mr. Zabala is far from a threat to his community. To that end, Mr. Zabala is currently assigned to a low-intensity reporting program with which he has demonstrated exemplary compliance and incurred no violations. Insofar as his restitution obligations will remain under the jurisdiction of the Southern District of New

¹ Mr. Zabala's community service included participation in the Union Rescue Mission on Skid Row and Friends In Deed, where he served meals to unhoused, low-income, and formerly incarcerated individuals. While I believe that proof of completion was previously provided to the court, our office can provide additional documentation upon request.

York's United States Attorney's Office Financial Litigation Unit for twenty years from the imposition of sentence, supervised release is not a necessary vehicle to ensure he continue to remit timely payment. In fact, as further outlined below, supervised release has created a significant financial hardship for Mr. Zabala, who has indicated an intention to remit restitution early if released.

Hardships Created by Supervised Release

Mr. Zabala is currently retired and supports himself with a modest social security income, supplemented only by the support of friends and family. His restitution payments are deducted directly from his Social Security Retirement Income, which further diminishes his ability to support himself. Although Mr. Zabala has maintained stable housing in the jurisdiction, the financial realities of residing in New York City have been incredibly challenging for him. At 71 years old and with limited employment prospects, his present housing situation is becoming financially untenable. To that effect, early release from supervision would allow Mr. Zabala to seek more affordable housing outside of the jurisdiction.

Since his release, Mr. Zabala has applied for hundreds of jobs, the bulk of which are minimum wage and almost all of which have rejected him due to his federal conviction and continued supervision. Despite this hardship, Mr. Zabala has recently received attractive offers for potentially lucrative employment, which are undoubtedly a result of his impressive academic acumen prior to his incarceration. All of these job opportunities, however, would require Mr. Zabala to travel or reside outside of the jurisdiction, which supervised release presently renders impossible.

On August 20, 2023, Mr. Zabala received an offer of employment for a Senior Advisor Position in Switzerland, appended hereto as **Exhibit B**. Additionally, Mr. Zabala is in communication with the Max Planck institute Cologne, Germany, where he is in advanced discussions to resume a research position similar to the one he held from 2016-2019. Mr. Zabala is confident that should he be permitted to avail himself of these and other opportunities, he would be capable of remitting restitution well in advance of the date imposed by the Court. Should his application be denied, he will almost certainly be unable to sustain gainful employment, and may well be unable to afford stable housing in the jurisdiction.

Conclusion

At 71 years old, and despite suffering significant financial hardships as a result of the constraints of supervised release, Mr. Zabala has demonstrated outstanding compliance as a federal probationer. Without diminishing the significance of his case, Mr. Zabala's non-violent conviction, exemplary adjustment to his community, and voluntarily participation in re-integration programs all demonstrate that he is an excellent candidate for early release.

Mr. Zabala is eager to satisfy the outstanding obligations imposed upon him by the Court, especially the restitution requirement, with which he remains in full compliance. Should your office not oppose this application, Mr. Zabala could resume gainful employment, become a more productive member of his community, and seek peace in the latter stage of his life. Having had the pleasure to get to know Mr. Zabala, I am well acquainted with the stress and anxiety that supervisory constraints

have caused him and his family. Freedom from these constraints will allow Craig to re-connect with his identity as an academic, pursue a promising future, and heal from the difficult realities of his past.

Thank you for your kind attention to our request. If there is any additional information or clarification that would aid your office's consideration of this application, please do not hesitate to contact me. I look forward to discussing this matter with you further.

Best Regards,

Kevin Dunshee
Associate Attorney, Rosenberg Law Firm
917-544-3546
Kevin@rosenbergpllc.com

EXHIBIT A

The Osborne Association

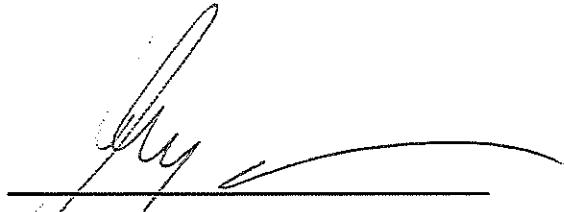
Prepare Program

Awards this Certificate of Completion to

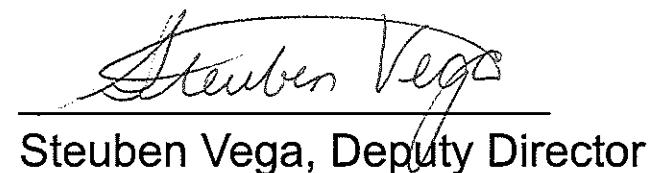
Craig Zabala

For successfully completing Job Readiness Training:

Ready, Set, Work! 24/7 Dad, and Financial Literacy
on July 21, 2023.



Gyasi Headen, Director



Steuben Vega

Steuben Vega, Deputy Director

EXHIBIT B

Olaf Schmidt
P.O.Box 137
CH – 6314 Unterägeri
olaf@oeli.ch

Dr. Craig Zabala
326 Spring Street
NY. NY. 10013

Craigzabala@gmail.com
001 917 815 3400

Invitation for working with a foreign Entity

To Whom It May Concern:

Unteraegeri, 20th of August 2023

Dear Ladies and Gentlemen,

Please accept this invitation for Dr. Craig Zabala, in a senior advisor position for a Swiss Family Office service provider.

After careful consideration we would like to offer a position on a trial base for a still to determined period with an option to move Mr. Zabala to our Swiss office in the future.

Thank you for your consideration of that proposal.

Sincerley

Olaf Schmidt

Wed, Aug 9, 2023 at 12:10 PM

Jennifer Arango <Jennifer_Arango@nysp.uscourts.gov>
To: Kevin Dunshee <kevin@rosenbergpllc.com>

Good afternoon Kevin,

This email is submitted in response to the early termination request of Zabala's 3 year' term of supervision.

On November 14, 2022, Mr. Zabala was released from the custody of the Federal bureau of prisons and commenced supervision in the Central District of California. On April 24, 2023, Mr. Zabala relocated to New York and has maintained a stable residence in New York City. Mr. Zabala has reported as directed and has not incurred any arrests during his current term of supervision. On 2/27/2023, Mr. Zabala completed his 250 community service hours. Mr. Zabala has demonstrated that he has learned from his past mistakes and strives to make a positive impact going forward. Based on his progress over the course of supervision, great adjustment to the community, and compliance with his conditions of supervision the Probation office does not oppose an early termination for Mr. Zabala.

To date, Mr. Zabala has satisfied \$4,247.21 towards his \$4,380,000. The outstanding balance is \$4,375,752.79. Throughout his term of supervision, Zabala has remained consistent submitting his monthly restitution payments. Inasmuch as the restitution obligation will remain under the jurisdiction of the Southern District of New York's United States Attorney's Office Financial Litigation Unit (FLU) for twenty (20) years from the imposition of sentence, in the event Mr. Zabala's supervised release be permitted to terminate early.

Thank you in advance.

Jennifer Arango
U.S. Probation Officer
Southern District of New York
U.S. District Court
500 Pearl Street
New York, NY 10007
212 805 5059-Office
646-574-3511-Cell